IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.102 OF 2007
CONNECTED WITH
COMPANY APPLICATION NO.1097 OF 2006

In the matter of Scheme of Amalgamation of Lok Shelters Limited with Lok Housing and Constructions Limited.

Lok Shelters Limited ... Petitioners
(Transferor Co.)

WITH

COMPANY PETITION NO.103 OF 2007
CONNECTED WITH
COMPANY APPLICATION NO.1098 OF 2006

Lok Housing and Constructions
Limited, .. Petitioners
(Transferee Co.)

Shri S.H.Doctor with Sanjay Jain with Zal T. Andhyarujina with Rajesh Shah i/b Rajesh Shah & Co, for the petitioners.

Shri J.J.Bhatt with Shri Birendra Saraf with Ashish Kamat and Shri Nikhil Rajani i/b M/s V Deshpande & Co. Intervenor.

Shri Simil Purohit with Ms Trupti Shetty i/b Dhruve Liladhar and Co. Intervener/Investment Grievance Forum.

Shri A.S.Doctor i/b Bachubhai Munim & Co -Objectionist.

Ms Mehernaaz Sam Wadia i/b Hariani & Co for Lata Housing i.e. Intervener.

Mr Sunil Waghela i/b Pandya & Co for Intervenor. Shri C.J.Joy with Shri G.C.Mishra for Regional Director.

Ms K.V.Gautam - Dy. Official Liquidator.

CORAM: D.B.BHOSALE, J.
DATED: 2.11. 2007.

P.C.:

1. Heard learned counsel for the parties.

2. The sanction of the court is sought to a scheme of amalgamation under sections 391 to 394 of the Companies Act, 1956.

3. This matter was heard for quite some time and in the midst of arguments the parties expressed their desire to settle the dispute amicably and accordingly they have settled the dispute. The objections were raised by three objectors, namely, Reymon Publication, Kotak Mahendra Bank, and Investors Grievance Forum. All the three objectors have withdrawn their objections and learned counsel appearing for them have stated that they have no objection for allowing this petition, as prayed.

4. Counsel appearing on behalf of the Petitioners has stated before the court that insofar as transferor is concerned: (i) all equity shareholders have granted their consents; (ii) there are no secured creditors; and (iii) individual notices were dispatched to all the unsecured creditors in pursuance of the directions issued by this court while dispensing with the convening of the meeting of the unsecured creditors.

5. Insofar as the transferee is concerned, the court has been informed by the learned counsel that:

(i) The equity shareholders at their meeting held on 31.1.2007 have approved the scheme by 99.67 percent majority; (ii) The secured creditors, excluding UCO Bank, LIC Mutual Fund and UTI Bank, at their meeting held on the very same day, have approved the scheme by 84.14 percent majority and (iii) all the shareholders have granted their consents; and (iv) individual notices were dispatched to all the unsecured creditors in pursuance of the directions issued by this court while dispensing with the convening of the meeting of the unsecured creditors.

6. The Regional Director in his affidavit dated 19.4.2007 has raised the following objections:

> "(a) As per clause 9.3 of the Scheme, if necessary, the transferee company shall before allotment of the equity shares in terms of the Scheme, increase its authorized capital by creation of atleast such number of equity shares of Rs.10/- each as may be necessary to satisfy its obligation under the Scheme. Hence, the transferee company may be directed to comply with the provisions of section 94/97 read with Schedule X of the Companies Act,1956 in respect of filing of form No.5 with Registrar of Companies."

Learned counsel appearing on behalf of the petitioners submits that the company shall comply with the requirements as mentioned in paragraph 6(a) in the affidavit of the Regional Director, if necessary. This statement is accepted.

7. Upon perusal of the entire material placed on

record, the scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to any public policy. None of the parties concerned has come forward to oppose the scheme. Moreover, both the Regional Director and the Official Liquidator have stated that the scheme as proposed is not contrary to the public interest or prejudicial to the interest of share holders or creditors.

8. There is no objection to the scheme and since all the requisite statutory compliances have been fulfilled, the Company Petition filed by the transferor company is made absolute in terms of prayer clauses (a) to (j) and the Company Petition filed by the Transferee company is made absolute in terms of prayer clause (a) to (i).

9. The transferee company to lodge a copy of this order and the scheme with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 30 days of obtaining the certified copy and/or authenticated copy of the order.

10. The petitioners in both the company petitions to pay cost of Rs.5000/- each to the Regional Director and to the Official Liquidator by the petitioners in the petition filed by the transferor company.Costs to

be paid within four weeks from today.

11. Filing and issuance of the drawn up order is dispensed with.

. All authorities concerned to act on a copy of this order duly authenticated by the Registry.

(D.B.BHOSALE, J.)